

Website Extract - Northumbrian Water

Environmental screening

During 2003 we will be revising the questions on our environmental screening form to enable us to gain a better understanding of a potential supplier's environmental impacts and management. We have tended to focus on the environmental performance of suppliers and contractors, therefore we will take this opportunity to include more social issues within the screening form. We are also looking to initiate a project to investigate how our procurement procedures can be improved to produce more sustainable outcomes. 20 tenders were completed during 2002/03, including caustic soda and barrier boards.

The waste contract which is currently up for renewal provides a good example of how we apply environmental screening. The environmental screening form asks generic questions regarding environmental management and performance. However for certain contracts, where there is potentially greater environmental impact, a supplementary environmental questionnaire is developed to ask questions specific to that contract. This was the case with the waste tender; the supplementary questionnaire included questions on landfill site management, and how they could help us to minimise waste and increase recycling. The tender was sent out in April 2003. When the tenders are returned, the suppliers' responses will be scored and weighted against other criteria, including service, price and management information. The chosen suppliers will start their new contracts in September 2003. Written into the contracts will be KPIs on, amongst other things, waste minimisation and recycling and the provision of information on waste generated and the fate of the waste. This will enable us to provide more complete waste data in future Environment, Society and Economy Performance Reports.

We apply the concept of best value to select goods and services based on a range of criteria, including, continuous improvement, compliance with relevant legislation, ethical business practices, fairness and transparency

Our procurement policy is based on eight principles that require us to procure goods and services in an ethical manner from companies with, amongst other things, good environmental practices. All large building contracts and company-wide contracts e.g. utilities, are screened using an environmental questionnaire. We have introduced key performance indicators (KPIs), risk management and incentives with these contracts in line with the British Water Guide to Sustainable Procurement.

For smaller purchases of goods and supplies a self service purchasing system is used by employees throughout the company. A new supplier assessment form has been introduced to ensure we work with suppliers that are reputable, quality organisations with the required level of competence and ability in all aspects of the work they carry out. These suppliers must now provide details of their health and safety and environmental policies, the robustness of their financial standing and their insurance provisions.